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**'MEETING
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[16]

Profile of Poverty in Newfoundland and Labrador.

PROFILE OF POVERTY
NEWFOUNDLAND AND LABRADOR

The settlement of Newfoundland has followed a well defined and historic pattern. This pattern throughout the years had created an economic and social system, resisting change, which was the result of a centuries old reliance on a primary product - fish.

Small boats, anti-settlement laws and primitive fishing methods forced settlements to locate close to productive fishing grounds while the restricted range of small homemade craft limited the population to the level which the production of available fishing grounds would support. This resulted in the excess population establishing other small communities.

Today, Newfoundland has two cities and several larger centers of population which account for slightly in excess of 20% of the people. However, the larger part of our half-million people are located in 1,107 communities scattered along some 8,000 miles of rugged coastline, and containing at least 650 settlements still associated with the fisheries. One of the consequences of this pattern is that local government simply did not develop and, except for St. John's there was no municipal structure in Newfoundland until after 1942.

The basic industry of these early small communities, carried on by family groups, was the catching, processing (by salting and drying) and marketing of fish through a community merchant. Formal education was a luxury few could obtain and use. Children received training in their fathers' fishing boats in the manual skills required to sustain a livelihood. This special training was an integral part of family life.

Their isolated society and way of life contained much that was basically sound, but engendered a lack of understanding of the outside world, and reluctance and inability to accept change.

The unit of production was the family, with a well established division of labour. The men and boys caught the fish, the women and girls processed the catch. This product became the standard of exchange, and a barter system evolved between the family unit and the merchant.

Four essential services were required by each community. These were:

1. Fresh water (supplied by well or stream)
2. Wood (for fuel, boat building and home construction)
3. Access to, and shelter from, the sea
4. Land for subsistence agriculture

Historically, the Newfoundland society, therefore, existed on a barter economy built around these four essential services.

Around the turn of the present century, the construction of the trans island railway, the extensive mining activities, and the establishment of the first paper mill, induced members of the rural communities to leave the rural areas and come in contact with more developed ways of life. Meanwhile, the pulp and paper and mining industries instituted a wage system and returning servicemen spoke of conditions as they had found them to exist elsewhere. The Second World War, with an additional impact on the Newfoundland economy, gave impetus to the growing change, and steps were taken in 1944 and after, to ensure that the barter system would never again assume its previous position in the Newfoundland economy.

The social and economic revolution which has taken place in the Province since Confederation has been unmatched in scope and scale during previous centuries. The sophisticated demands of a modern day world have been thrust upon a relatively unsophisticated society and have affected changes in every community. However, the rising standards must be raised to even greater heights to bring national standards of living to our people. Our average personal income in 1964 was just over \$1,000, the lowest per capita income in Canada, and still more significant is the fact that approximately 1/5 of this amount was in the form of comprehensive social assistance.

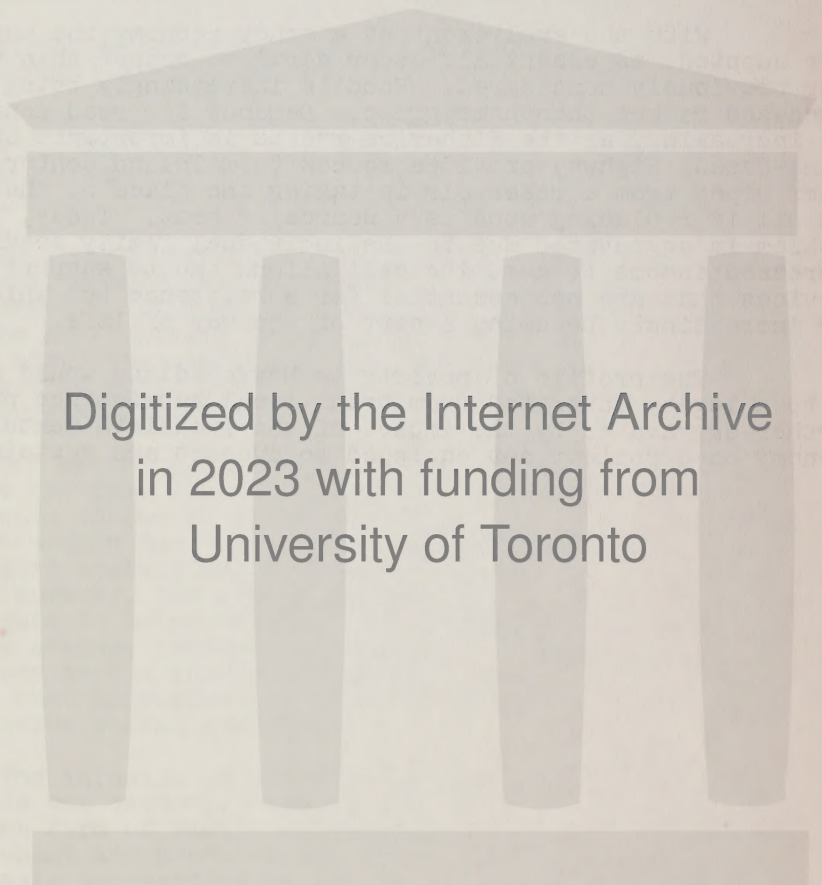
The infusion of these social benefits and allied payments into our economy, however, has increased income to provide a new form of family independence, where the relationship between merchant and producer has changed from the role of supplying basic necessities to one of catering to modern day requirements.

Logging and fishing, as major employers of labour, are becoming mechanized, and while in the past they were complementary, being carried on at different seasons, they are now often carried on at the same time of the year. The development of fish plants in increasing number of settlements is bringing about a centralization of population which is encouraged by Government policy. Centralization has aided the growth of several of our industrial towns, however, half of our people continue to live in small settlements in which it is difficult to provide needed educational, medical and communication services. It is in these settlements that we find the greater number of those people who

are accepting Government relief and who, consequently, bring down the average personal income of the Province. Some indication of the number of families receiving social assistance is that 29% of our welfare families received it for the full twelve month period of 1964, and further that they live in rural areas evenly distributed throughout the Province.

With the evolvement of a money economy the population have adopted, as essential, other services rather than the four previously considered. Food is increasingly being purchased rather than home grown. Demands for road connections are increasing, as the fisheries reduce in importance and the Trans-Canada Highway provides access to mainland centers. Water piped from a reservoir is taking the place of the well and oil is replacing wood as a source of heat. Today, the problem is aggravated due to the individual family seeking increased income to meet its obligations and to support any services that are not essential for subsistence but which are increasingly becoming a part of the way of life.

The profile of poverty in Newfoundland would appear to be a legacy inherited from traditional subsistence patterns, further aggravated by the impact of the Twentieth Century economy on a society not equipped to support and sustain it.



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